

STATINTL

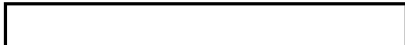


05A-1040-62
COPY 1 OF 1

Joe

August 17, 1962

STATINTL



Contracting Officer
Washington, D. C.

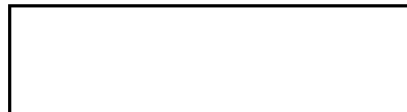
Re: Contract AF-33(600)-40274

Dear Lowell:

Your auditor has been here examining our books and records for fiscal year 1962. In collaboration with our private outside independent auditors, Lybrand, Ross Bros. & Montgomery, he has ~~agreed~~ to accept an overhead rate for fiscal year 1962 of per cent. This rate is acceptable to Would you please process the necessary contractual documents to establish this rate so that we may seek reimbursement for the costs concerned.

I expect that our direct labor costs will increase during fiscal year 1963 but our overhead costs will not increase at the same rate. I, therefore, suggest that we retain the rate of per cent as the provisional overhead rate for fiscal year 1963.

Very truly yours,



Vice President

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CFB:v